The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

Faced With Foreign Media Law, Sweden's MTG Seeks to Quit Russia

By The Moscow Times

March 04, 2015



Sweden's MTG is seeking a buyer for its stake in Russia's CTC Media.

Swedish broadcasting group MTG is seeking a buyer for its 39 percent stake in Russia's CTC Media, business daily Vedomosti reported Wednesday.

The move comes after President Vladimir Putin signed a law last year that limits foreign ownership of media companies to 20 percent.

Vedomosti, citing two sources close to the companies, said MTG was looking to sell the entire stake and Swiss investment bank UBS had contacted potential buyers.

In December, CTC said it had appointed UBS as financial adviser and professional services company KPMG as tax adviser following the signing of the new law.

"CTC Media is considering all potential structures in this regard, which may include corporate restructuring, franchising and licensing structures, capital reorganization or divestments,"

MTG spokesman Per Lorentz said.

"MTG is not pursuing any separate process in relation to our holding in CTC Media," he added.

CTC Media declined to comment.

MTG had, according to Vedomosti, tried to find a way to cut its stake to below 20 percent or divide CTC business to comply with the law but met with many legal complications and decided to exit this investment.

Original url:
https://www.themoscowtimes.com/2015/03/04/faced-with-foreign-media-law-swedens-mtg-seeks-to-quit-russia-a44444